

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: April 25-26, 2007

Reference No.: 2.8c.
Action Item

From: CINDY McKIM
Chief Financial Officer

Prepared by: Terry Abbott
Division Chief
Local Assistance

Subject: **REQUEST TO EXTEND THE PERIOD OF PROJECT COMPLETION PER
RESOLUTION G-03-19, STATE TRANSPORTATION IMPROVEMENT PROGRAM
GUIDELINES
WAIVER-07-11**

RECOMMENDATION:

The Department of Transportation (Department) recommends the California Transportation Commission (Commission) approve Waiver-07-11, extending the period of project completion for the Elk Valley Road Reconstruction project (PPNO 01-1018P) to February 28, 2009.

ISSUE:

In June 2003, the Commission allocated \$4,938,000 to the County of Del Norte (County) for the construction phase of the Elk Valley Road Reconstruction project. A construction contract was awarded in June 2004. Although the County had anticipated completing construction by the June 2007 deadline, unforeseen circumstances have caused the County to experience delays in completing the construction phase. A 20-month extension to the period of contract completion is being requested to extend the deadline from June 30, 2007 to February 28, 2009.

Currently, there is a dispute between the County and contractor regarding the adequacy of the paving job and the County is withholding the contractor's retention until the disputed item is resolved. The County and the contractor are currently in litigation and specific details about the dispute cannot be discussed. The litigation will not be resolved in sufficient time for the County to file all final documents and reports prior to June 30, 2007. The length of time of the litigation is unpredictable and the County is requesting a 20-month extension to cover the possibility of a long litigation period.

BACKGROUND:

Resolution G-03-19, State Transportation Improvement Program (STIP) Guidelines, adopted by the Commission on December 11, 2003, stipulates that a local agency has up to 36 months from the time of contract award to complete (accept) the contract. The local agency has 180 days after the contract acceptance to prepare and submit the final invoices and reports to the Department. The Guidelines further stipulate that the Commission may approve a waiver to the project completion deadline one time only for up to 20 months in accordance with Section 14529.8 of the Government Code.